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STATE OF ALABAMA

OCT 26 1990

91-00044

Honorable Clarence F. Rhea  
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Water and Sewer Boards -  
Employees, Employers, Employment  
- Compensation

The Water Works Board of the City of Attalla is not prohibited from entering into a working agreement with its union employees that includes retroactive wage or other benefits to the date of the expiration of the prior agreement.

Dear Mr. Rhea:

This opinion is issued in response to your request for an opinion from the Attorney General.

#### QUESTION

Can the Water Works Board of the City of Attalla enter into a new working agreement that includes retroactive wage and/or other benefits to July 1, 1990, the date of the expiration of the working agreement?

#### FACTS AND ANALYSIS

The Board's resolution states:

WHEREAS, the Water Works Board of the City of Attalla (hereinafter called "the Board"), is governed by a Board of Directors

consisting of five members appointed by the Attalla City Council.

WHEREAS, the Board is incorporated and organized under the provisions of Division I of Article 9 of Chapter 50, Title II of the Code of Alabama 1975 (Section 11-50-310).

WHEREAS, the Board has a Working Agreement with AFSCME Local No. 1535. This agreement expired July 1, 1990.

WHEREAS, question concerning retroactive pay was brought before the Board.

Section 68 of the Alabama Constitution of 1901 prohibits a municipality or its subdivision from granting extra compensation to an employee after services have been rendered. Since the Water Works Board of the City of Attalla is a public corporation which is a separate entity from the city, the prohibition of Section 68 is not applicable. See Alabama Hospital Assn. v. Dillard, 388 So.2d 903 (Ala. 1980).

#### CONCLUSION

Accordingly, it is our opinion that the Water Works Board of the City of Attalla is not prohibited from entering into a working agreement with its union employees that includes retroactive wage or other benefits to the date of expiration of the prior agreement.

I hope this sufficiently answers your question. If our office can be of further assistance, please do not hesitate to contact us.

Sincerely,

DON SIEGELMAN  
Attorney General  
By:



BRENDA FLOWERS SMITH  
Assistant Attorney General